

AMENDED IN SENATE JUNE 2, 2015

AMENDED IN SENATE MAY 5, 2015

AMENDED IN SENATE APRIL 13, 2015

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 471

Introduced by Senator Pavley

February 26, 2015

An act to amend Section 39712 ~~of, and to add Chapter 10 (commencing with Section 39950) to Part 2 of Division 26 of, of the~~ Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 471, as amended, Pavley. Water, energy, and reduction of greenhouse gas emissions: planning.

~~Existing law~~

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions, commonly known as cap and trade revenues, to be deposited in the Greenhouse Gas Reduction Fund, and to be used, upon appropriation by the Legislature, for specified purposes, including the reduction of greenhouse gas emissions associated with water use and supply.

~~This bill would require the state board, in cooperation with various other agencies, to develop an emissions inventory of greenhouse gas~~

emissions from the water system in the state, using best available data. The bill would include reduction of greenhouse gas emissions associated with water treatment among the investments that are eligible for funding from the Greenhouse Gas Reduction Fund. The bill would also make legislative findings and declarations, and a statement of legislative intent, with regard to the nexus between water and energy and water and reduction of greenhouse gas emissions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:
3 (1) Water and energy resources are inextricably connected. This
4 relationship is known as the water-energy nexus.
5 (A) The energy used to drive California's water system,
6 including, but not limited to, the fuels used to power groundwater
7 pumps, transportation, treatment and disposal systems for water
8 and wastewater, heating and cooling of water in buildings and
9 other facilities, and the delivery of water to end users, accounts
10 for nearly 20 percent of the total electricity usage, 30 percent of
11 nonpower-related natural gas consumed, and an unknown quantity
12 of greenhouse gas emissions associated with that energy
13 production.
14 (B) The water used to drive California's energy system,
15 including, but not limited to, the water used to turn turbines for
16 hydropower, to produce steam and cooling systems for
17 thermoelectric power, and to extract and refine oil and gas,
18 represents a substantial portion of our state water demand.
19 (C) Consequently, saving water saves energy, and vice versa.
20 (D) Because the production of energy often results in the
21 emission of greenhouse gases, there is substantial potential for
22 emission reductions in the water system.
23 (2) Planning for water use is often conducted without
24 consideration of energy use or greenhouse gas emissions. Similarly,
25 planning for energy and reduction of greenhouse gas emissions is
26 often conducted without consideration of water resources. As a
27 result, local and state agencies may not be identifying projects that

1 best serve water and energy investments to maximize greenhouse
2 gas emissions reductions.

3 (b) It is the intent of the Legislature, in enacting this act, to:

4 ~~(1) Provide the best available data on the water-energy nexus~~
5 ~~so that it may be included in the scoping plan update prepared~~
6 ~~pursuant to the California Global Warming Solutions Act of 2006~~
7 ~~(Division 25.5 (commencing with Section 38500) of the Health~~
8 ~~and Safety Code).~~

9 ~~(2)~~

10 (1) More closely integrate the planning for water, energy, and
11 greenhouse gas emissions.

12 ~~(3)~~

13 (2) Enable opportunities for innovative projects and programs
14 that reduce the greenhouse gas intensity of our water system in
15 order to access eligible funds.

16 SEC. 2. Section 39712 of the Health and Safety Code is
17 amended to read:

18 39712. (a) (1) It is the intent of the Legislature that moneys
19 shall be appropriated from the fund only in a manner consistent
20 with the requirements of this chapter and Article 9.7 (commencing
21 with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title
22 2 of the Government Code.

23 (2) The state shall not approve allocations for a measure or
24 program using moneys appropriated from the fund except after
25 determining, based on the available evidence, that the use of those
26 moneys furthers the regulatory purposes of Division 25.5
27 (commencing with Section 38500) and is consistent with law. If
28 any expenditure of moneys from the fund for any measure or
29 project is determined by a court to be inconsistent with law, the
30 allocations for the remaining measures or projects shall be
31 severable and shall not be affected.

32 (b) Moneys shall be used to facilitate the achievement of
33 reductions of greenhouse gas emissions in this state consistent
34 with Division 25.5 (commencing with Section 38500) and, where
35 applicable and to the extent feasible:

36 (1) Maximize economic, environmental, and public health
37 benefits to the state.

38 (2) Foster job creation by promoting in-state greenhouse gas
39 emissions reduction projects carried out by California workers and
40 businesses.

1 (3) Complement efforts to improve air quality.

2 (4) Direct investment toward the most disadvantaged
3 communities and households in the state.

4 (5) Provide opportunities for businesses, public agencies,
5 nonprofits, and other community institutions to participate in and
6 benefit from statewide efforts to reduce greenhouse gas emissions.

7 (6) Lessen the impacts and effects of climate change on the
8 state's communities, economy, and environment.

9 (c) Moneys appropriated from the fund may be allocated,
10 consistent with subdivision (a), for the purpose of reducing
11 greenhouse gas emissions in this state through investments that
12 may include, but are not limited to, any of the following:

13 (1) Funding to reduce greenhouse gas emissions through energy
14 efficiency, clean and renewable energy generation, distributed
15 renewable energy generation, transmission and storage, and other
16 related actions, including, but not limited to, at public universities,
17 state and local public buildings, and industrial and manufacturing
18 facilities.

19 (2) Funding to reduce greenhouse gas emissions through the
20 development of state-of-the-art systems to move goods and freight,
21 advanced technology vehicles and vehicle infrastructure, advanced
22 biofuels, and low-carbon and efficient public transportation.

23 (3) Funding to reduce greenhouse gas emissions associated with
24 land and natural resource conservation and management, forestry,
25 sustainable agriculture, and the water sector, including, but not
26 limited to, water use, supply, and treatment.

27 (4) Funding to reduce greenhouse gas emissions through
28 strategic planning and development of sustainable infrastructure
29 projects, including, but not limited to, transportation and housing.

30 (5) Funding to reduce greenhouse gas emissions through
31 increased in-state diversion of municipal solid waste from disposal
32 through waste reduction, diversion, and reuse.

33 (6) Funding to reduce greenhouse gas emissions through
34 investments in programs implemented by local and regional
35 agencies, local and regional collaboratives, and nonprofit
36 organizations coordinating with local governments.

37 (7) Funding research, development, and deployment of
38 innovative technologies, measures, and practices related to
39 programs and projects funded pursuant to this chapter.

1 ~~SEC. 3. Chapter 10 (commencing with Section 39950) is added~~
2 ~~to Part 2 of Division 26 of the Health and Safety Code, to read:~~

3
4 ~~CHAPTER 10. EMISSIONS FROM THE WATER SYSTEM~~

5
6 ~~39950. The state board, in cooperation with the State Energy~~
7 ~~Resources Conservation and Development Commission, the Public~~
8 ~~Utilities Commission, the State Water Resources Control Board,~~
9 ~~and the Department of Water Resources, shall develop an emissions~~
10 ~~inventory of greenhouse gas emissions from the water system in~~
11 ~~the state, using best available data.~~